

Tennessee Department of Labor & Workforce Development

Executive Summary of Department

The Department of Labor & Workforce Development has identified 41 State funded positions to include in the Voluntary Separation Program (VSP). These positions are submitted from the following Departmental Divisions:

Commissioner's Staff	(4 positions)
Human Resources	(3 positions)
Workers' Compensation	(18 positions)
Fiscal & Administration	(6 positions)
Mine Safety	(1 position)
Information Technology	(7 positions)

The estimated annual cost savings of State funds will be \$2,896,395.00. The elimination of these positions through VSP is possible due to the Department's ongoing process of consolidating field offices, improved technology, and more efficient methods of operation. The Department anticipates no significant impact on the quality of the services provided.

Additionally, the Division of Employment Security has identified 69 federally funded positions to include in a VSP offer funded by the Division's federal funds.

**TENNESSEE DEPARTMENT OF LABOR AND WORKFORCE
DEVELOPMENT**

FISCAL AND ADMINISTRATIVE SERVICES

I. Executive Summary

The Division of Fiscal and Administrative Services is responsible for budgeting, accounts receivable, accounts payable, procurement, facilities management, and overall support to all divisions. With consolidation of offices and enhanced computer technology, this division will operate with six less positions at a savings of \$391,669.

II. Business Justification and Assessment

Facilities Management Unit

Facilities Management is responsible for motor pool cars, mail, custodial services, leases on all offices, telephones, etc.

The Department of Labor Central Office consolidated from three buildings to one building in October 2007. We have reduced outlying offices by thirteen and plan additional closings in FY 08-09. This consolidation will reduce the workload on this division by two full-time positions. We will abolish the only ASA 4 and the only Network TC SP 3 and assign their duties to other staff.

Procurement Unit

The Procurement Unit is a centralized procurement unit for the department, handles inventory and is responsible for forms and record management. With the introduction of E-Way and the State Payment Card System the State is moving away from centralized purchasing. The proposed Edison System when implemented will also reduce the workload for this division. With reorganization of this division, we will be able to reduce staffing by two full-time positions. The only ASA5 and the only Clerk 3 position in this section will be abolished and their duties will be assumed by other staff.

Accounts Payable Unit

This unit will be reorganized and with the introduction of EDISON we will operate with a reduction of two full-time positions. We will abolish one (1) Acctng Tec 1 and one (1) ASA 3.

III. Estimated Net Cost Savings

See attached spreadsheet

Appointing Authority or Designee James G. Neeley, Commissioner

Date May 28, 2008

**BUSINESS JUSTIFICATION
HUMAN RESOURCES DIVISION
DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT**

I. Executive Summary

The Human Resources Division consists of the Administration Section, Technical Services and Employee Relations Section, and Classification/Compensation Section. As a result of the implementation of the Edison program this division is shifting job duties and responsibilities. For this reason, the division of Human Resources has identified the following positions for inclusion in the Voluntary Separation Program (VSP): Administrative Services Assistant 5, Human Resources Analyst 3, and Human Resources Director 3.

II. Business Justification and Assessment

Within the Human Resources Division, the following areas are targeted for this program:

- The HR Director 3 position is responsible for the supervision of the Technical Services and Employee Relations Section. This section consists of the Transactions (career service), Data Capture, Separations, Service and Longevity, Insurance and Payroll, and Employee Relations Units. The responsibilities of this position will be assumed by the Labor and Workforce Assistant Administrator 1 employee.
- A Human Resources Analyst 3 position is one of two HR A 3 positions that are responsible for executive service transactions; abolishment, establishment, and reclassification of positions; salary transactions involving equity, assignment differential, working out of class, and fiscal year salary policy transactions. The other HR A 3 employee and other staff member will absorb these responsibilities.
- Administrative Services Assistant 5 position is responsible for the supervision of the Payroll and Insurance Section and the orientation of new employees to include the discussion of departmental policies, forms, and overview of the Department. Three other staff members will absorb the above responsibilities.

III. Estimated Net Cost Savings (see attached spreadsheet)

Appointing Authority or Designee: James G. Neeley,
Commissioner

May 28, 2008
Date

Business Justification / State Funded Class Codes
Information Technology
Department of Labor and Workforce Development
May 22, 2008

I Executive Summary

The Information Technology Division has been undergoing reorganization for the past six months. As a result of shifting job and supervisory responsibilities, this division was already reducing staff through attrition in several areas. The estimated operational impact, provided the opportunity exists to reduce the workforce in a managed effort, has been determined to be minimal. The mitigating strategies include targeting class codes where organizational restructuring has taken place as well as limiting exposure to class codes in critical areas where reductions would limit our ability to meet federal requirements. For these reasons, the Information Technology Division has identified the following positions for inclusion in the Voluntary Separation Program (VSP): Information Resource Specialist 3, Information Systems Associate, Information Systems Manager 1, Information Systems Manager 3, Programmer Analyst 3, Programmer Analyst 4.

When the Departments of Labor and Employment Security merged into one Department (Department of Labor & Workforce Development (TDLWD)), there were ISM positions paid in 337.10 (Employment Security (ES)) that assumed duties for the Department (TDLWD) and should have transferred to 337.01 (TDLWD), but the Department did not have positions in 337.01 to accommodate. Therefore these positions remained in 337.10 (ES) and are billed back to 337.01 (State dollars) by journal voucher.

II Business Justification and Assessment

Within the Information Technology Division, the following areas are targeted for this program:

- Technical Support (Information Resource Specialist 3, Information Systems Associate, Information Systems Manager 1) – The consolidation of the technical support and help desk sections has eliminated duplication of effort and allowed a more streamlined approach to supporting the department's IT needs.
- Programming (Programmer Analyst 3, Programmer Analyst 4) – Efforts are already underway to better align resources with business requirements, to take on additional responsibilities to take on outside vendor's cost, and migrate many old applications to new environments. As a result of these efforts, a limited amount of excess resources has been identified for participation in this program.
- Management (Information Systems Manager 3) – With the continuing restructuring of IT, functional areas are being combined and streamlined under fewer managers.

As a result of all these combined efforts, we have decided that the following classes in the IT Division will be included in the VSP:

STATE FUNDED CLASS CODES

75552 IN RES SP 3 (no more than 1 position)

2340 INFO SYS ASSOC (no more than 1 position)

75580 INFO SY MG 1

75583 INFO SY MG 3 (no more than 2 position)

75523 PRG AN 3 (no more than 1 position)

75524 PRG AN 4 (no more than 1 position)

Estimated Net Cost Savings: (Attached Spreadsheet)

Appointing Authority: James G. Neeley, Commissioner

Date: May 28, 2008

**Business Justification
Workers' Compensation
Department of Labor & Workforce Development**

I. Executive Summary

The Workers' Compensation Division has identified the following classifications within our Division for participation in the Voluntary Separation Program (VSP): Specialists 2, 3 & 4; Program Coordinator; Data Entry Operator; Administrative Secretary; and Legal Assistant. The duties currently performed by those positions targeted can be absorbed by additional staff either within the same office or in one of the other area offices by spreading the responsibilities among the other employees.

II. Business Justification and Assessment

Workers' Compensation Division has identified the following positions for participation in the VSP:

Workers' Compensation Specialist 4 (WK CMP SP 4)

Workers' Compensation Specialist 3 (WK CMP SP 3)

Workers' Compensation Program Coordinator (WK CMP P COR)

Workers Compensation Specialist 2 (WK CMP SP 2)

Workers Compensation Specialist 1 (WK CMP SP 1)

Data Entry Operator (DATA E OP)

Administrative Secretary (Admin Sec)

Legal Assistant

The Benefit Review Program (BRP) within the Division has eleven offices statewide. Each office has at least one, and some offices have multiple, employees in the **WC Specialist 4** position for a total of 23 employees in the position. These employees approve settlements, conduct Administrative Reviews of Orders, and review Orders prepared by staff. The duties assigned to these individuals can be assumed by other employees, either within the same office or in another area office. As a result, we could accept buyout offers from four of the 23 **WC Specialist 4** positions.

BRP has at least one, and some offices have multiple, employees in the **WC Specialist 3** position for a total of 15 employees in the position. Employees in this position mediate claims and issue Orders. The duties assigned to these individuals can be assumed by

other employees, either within the same office or in another area office. As a result, we could accept a buyout offer from two of the 15 **WC Specialist 3** positions.

BRP has at least one, and some offices have multiple, employees in the **WC Specialist 2** position for a total of 24 employees in the position. Employees in this position provide telephone assistance and aid in the resolution claims by either issuing Orders or facilitating an agreement among the parties. The duties assigned to these individuals can be assumed by other employees, either within the same office or in another area office. As a result, we could accept a buyout offer from four of the 24 **WC Specialist 2** positions.

BRP has at least one, and some offices have multiple, employees in the **WC Specialist 1** position for a total of 11 employees in the position. Employees in this position provide telephone assistance and aid in the resolution claims by investigating temporary issues and disputed claims. The duties assigned to these individuals can be assumed by other employees, either within the same office or in another area office. As a result, we could accept a buyout offer from one of the 11 **WC Specialist 1** positions.

The WC Division has 15 individuals in the **WC Program Coordinator** position who manage and administer several different programs. These employees also manage the operations in each of the offices of the BRP. The duties assigned to these individuals can be assumed by other employees, either within the same office or in another area office. As a result, we could accept a buyout offer from three of the 15 **WC Program Coordinator** positions.

The WC Division has 5 individuals in the **Data Entry Operator** position. These employees key information into the WCS computer-based tracking system. Due to the continued trend by reporting entities towards electronic filing of information, the amount of information to be entered has decreased. The current workload can be absorbed by spreading the responsibilities among other employees. As a result, we could accept a buyout offer from one of the 5 **Data Entry Operator** positions within the WC Division.

The WC Division has 7 individuals in the **Administrative Secretary** position. These employees perform routine office clerical duties including typing, filing and mailing functions for various Division programs. The current workload can be absorbed by spreading the responsibilities among other employees. As a result, we could accept buyout offers from two of the 7 **Adm. Sec.** positions within the WC Division.

The WC Division has 4 individuals in the **Legal Assistant** position. These employees assist Division attorneys in various ways. The current workload can be absorbed by spreading the responsibilities among the employees in this position. As a result, we could accept a buyout offer from one of the 4 **Legal Assistant** positions.

III. Estimated Net Cost Savings: (See attached spreadsheet)

Appointing Authority or Designee: James G. Neeley, Commissioner

Date: May 28, 2008

**Business Justification
Workplace Regulations and Compliance (WRC)
Department of Labor and Workforce Development
May 22, 2008**

I. Executive Summary.

The Mine Safety Division is an area in which a continuation of services could be maintained with a reorganization of the Division which would include the elimination of the position of Mine Safety Director under the Voluntary Separation Program (VSP). With new mandated federal training certifications of mine safety requirements, all instructors of the Mines Division will be required to provide training in mine safety. The position of Mine Safety Director does not presently provide instruction in mine safety.

II. Business Justification and Assessment

Within the Mine Safety Division the following position is targeted for the Voluntary Separation Program (VSP):

Mine Safety Director – This is the only position in the Mine Safety Division that does not actually provide instruction in mine safety. The elimination of this position will not adversely affect the delivery of these services and the administrative duties of this position can be absorbed by the remaining staff.

III. Classes included in Voluntary Separation Program

Mine Safety Director

IV. Estimated Net Cost Savings (See attached spreadsheet)

Appointing Authority of Designee: James G. Neeley, Commissioner

Date: May 28, 2008

**Business Justification
Division of Employment Security
Tennessee Department of Labor & Workforce Development
May 22, 2008**

I. Executive Summary

The Employment Security (ES) Division is federally funded through the Wagner-Peyser Act and the Social Security Act. Funding from both sources has been flat since FY 2000. Increased business costs have resulted in deficits in both programs since 2005. The agency has covered the deficit with money received through a Reed Act distribution of \$162 million in 2002.

Voluntary Separation Program (VSP) offered to strategic job classifications and business units would reduce administration costs in both programs. The agency can absorb the resulting retirements and reduction in staff through consolidation of duties and reorganization of unit responsibilities without an interruption of services.

The ES Division has identified 213 positions that should be offered the opportunity to apply for VSP. Of the 213 positions, 68 will be offered VSP's. The cost is estimated to be \$4.6 million to be paid by funds in the agency's Penalty and Interest Fund. The estimated ongoing annual cost savings will be approximately \$4.6 million.

II. Business Justification and Assessment

Unemployment Program Specialist 4 Classification

The Unemployment Program Specialist (SP) classification ranges from PS 1-4. Four of the five units which employ PS 4s also have one or more PS 3s who can absorb the supervisory and management responsibilities of the PS 4. A portion of the staff in the fifth unit can be reassigned to another unit reducing the need for the PS 4 in that unit. We decided that 3 of 7 of these positions be included in the VSP.

Unemployment Program Specialist 3 Classification

The Agency currently employs 18 PS 3s in a variety of units. The Agency will maintain the ability to provide supervision and technical support to the UI Program with fewer PS 3s because of recent cross training and future consolidation plans. We decided that 5 of the 18 positions be included in the VSP.

Accounting Manager-Employment Security Division

Due to the trend in increased electronic filing of quarterly Wage/Premium Reports and recent automation, project reorganization will occur in the Employer Accounts Unit resulting in the consolidation of responsibilities and reduce need for this classification. Therefore, we decided that the 1 position of the 2 available be included in the VSP.

Accounting Tech 1-Employer Accounts Offices

Accounting Tech 1 positions serve a supporting role to the Unemployment Accounts Auditor positions. Their tasks can be absorbed by the Auditors with minimal effect on productivity. Therefore, we decided that 2 of the 3 positions be included in the VSP.

Secretary-Employment Security Division

Secretarial duties can be absorbed by spreading the responsibilities among staff within each unit. Therefore, we decided that 5 of the 17 positions be included in the VSP.

District Manager Classification

Due to the transition to telephone and Internet UI claims, eighty five percent of UI claims are taken through five Claim Centers throughout the state. The remaining walk-in offices in Memphis and surrounding counties will be consolidated into the remote Claims Center system in the future. Plans are also underway to automate Job Service registration and consolidate Career Center activities throughout the state, therefore reducing the number of ES Offices statewide. Accordingly, District Manager positions can be phased out with minimal disruption of ES services. We decided 5 of 7 positions be included in the VSP.

ES Manager 1 Classification

Plans are underway to automate Job Service registration and consolidate Career Center activities throughout the state, reducing the number of ES Offices. This and the transition to telephone and Internet UI claims reduce the need for the current number of ES Managers. We decided that 11 of the 19 positions be included in the VSP.

ES Manager 2 Classification

Plans are underway to automate Job Service registration and consolidate Career Center activities throughout the state, reducing the number of ES Offices. This and the transition to telephone and Internet Unemployment Insurance claims reduce the need for the current number of ES Managers. We decided that 10 of the 25 positions be included.

ES Manager 3 Classification

Plans are underway to automate Job Service registration and consolidate Career Center activities throughout the state, reducing the number of ES Offices statewide. This and the transition to telephone and Internet Unemployment Insurance claims reduce the need for the current number of ES Managers. We decided that 7 of the 11 positions be included in the VSP.

Employment Security Division Director 1

Due to reduced Federal funding and the consolidation of program activities, we believe the ES Division will have the ability to operate with fewer ES Division Directors. Specifically, all claims activities can be consolidated under the Claims Center System. All Employer activities can be consolidated under Employer Accounts Operations. Therefore, we decided that 2 of the 4 positions be included in the VSP.

Administrative Services Asst 4 -ES Division

The services and knowledge base provided by the Administrative Services Assistant 4 can be absorbed by existing Office Supervisors, Director, and Assistant Director in the affected unit. Therefore, we decided that 1 of the 1 positions be included in the VSP.

Administrative Services Asst 5-ES Division

The services and knowledge base provided by the Administrative Services Assistant 5 can be absorbed by existing Office Supervisors, Directors, and Assistant Director in the affected unit. Therefore, we decided that 1 of the 2 positions be included in the VSP.

Ex Administrative Asst 2-Employment Security Division

The Executive Administrative Assistants are functioning in a manner consistent with Secretaries and Administrative Secretaries in the Division. By cross training, their duties can be absorbed by those positions within the Division. We decided that 1 of the 3 positions be included in the VSP.

Veterans Outreach Specialist-DVOP Classification

Plans are underway to consolidate Career Center activities throughout the state, therefore reducing the number of ES Offices. This consolidation will reduce the number of DVOPs required. We decided that 1 of the 26 positions be included in the VSP.

Veterans Employment Representative RP 2-LVER Classification

Consolidation of Career Center activities throughout the state will reduce the number of ES Offices. This consolidation will reduce the number of LVERs required. We decided that 5 of the 31 positions be included in the VSP.

IT Positions funded by the Employment Security Division:

Clerk 3

The Clerk 3 function within IT has been changing over the past several years. With continuing restructuring of IT these functions can be absorbed by other positions within the unit. Therefore, we decided that 1 of the 1 positions be included in the VSP.

Data Entry Operator

Data Entry – The data entry function within IT has been changing over the past year, migrating toward verifying and editing scan documents rather than a full data entry keying position. As this technology is implemented and becomes more efficient over the next several months, this task will require fewer man hours to complete. Therefore, we decided that 2 of the 8 positions be included in the VSP.

Information System Director

Management – With the continuing restructuring of IT, functional areas are being combined and streamlined under fewer managers. Therefore, we decided that this position be included in the VSP.

Mainframe Computer Operator 3

Mainframe Operations – The ES Division has chosen to transition from issuing paper checks for UI to issuing debit cards. By fall 2008, this transition will reduce the required staff in this area by two people. Arrangements can be made to accommodate the workload until complete. We decided that 1 of the 4 positions be included in the VSP.

Information Resource Specialist 3

Technical Support – The consolidation of the technical support and help desk sections has eliminated duplication of effort and allowed a more streamlined approach to supporting the department's IT needs. Therefore, we decided that 1 of the 3 positions be included in the VSP.

Program Analyst 3

Programming – Duties performed can be absorbed by remaining employees in this classification. We decided that 1 of the 17 positions be included in the VSP.

Program Analyst 4

Programming – Duties performed can be absorbed by remaining employees in this classification. We decided that 1 of the 6 positions be included in the VSP.

Total: 213/69

III. Estimated Net Cost Savings: (See attached spreadsheet)

Signature of Appointing Authority

James G. Neeley, Commissioner

Date May 28, 2008

Business Justification / Federally Funded Class Codes
Information Technology
Department of Labor and Workforce Development
May 22, 2008

I Executive Summary

The Information Technology Division has been undergoing reorganization for the past six months. As a result of shifting job and supervisory responsibilities, this division was already reducing staff through attrition in several areas. The estimated operational impact, provided the opportunity exists to reduce the workforce in a managed effort, has been determined to be minimal. The mitigating strategies include targeting class codes where organizational restructuring has taken place as well as limiting exposure to class codes in critical areas where reductions would limit our ability to meet federal requirements. For these reasons, the Information Technology Division has identified the following federally funded positions for inclusion in the Voluntary Separation Program (VSP): Information Resource Specialist 3, Programmer Analyst 3, Programmer Analyst 4, Clerk 3, Data Entry Operator, Information Systems Director, and Mainframe Computer Operator 3.

When the Departments of Labor and Employment Security merged into one Department (Department of Labor & Workforce Development (TDLWD)), there were ISM positions paid in 337.10 (Employment Security (ES)) that assumed duties for the Department (TDLWD) and should have transferred to 337.01 (TDLWD), but the Department did not have positions in 337.01 to accommodate. Therefore these positions remained in 337.10 (ES) and are billed back to 337.01 (State dollars) by journal voucher.

II Business Justification and Assessment

Within the Information Technology Division, the following areas are targeted for this program:

- Data Entry (Data Entry Operator, Clerk 3) – The data entry function within IT has been changing over the past year, migrating toward verifying and editing scan documents rather than a full data entry keying position. As this technology is implemented and becomes more efficient over the next several months, this task will require fewer man hours to complete.
- Mainframe Operations (Mainframe Computer Operator 3, Information Systems Director) – The Employment Security Division has chosen to transition from issuing paper checks for unemployment insurance to issuing debit cards. By fall of this year, this transition will reduce the required staff in this area by two people. Arrangements can be made to accommodate the workload until that project is complete.

- Technical Support (Information Resource Specialist 3) – The consolidation of the technical support and help desk sections has eliminated duplication of effort and allowed a more streamlined approach to supporting the department's IT needs.
- Programming (Programmer Analyst 3, Programmer Analyst 4) – Efforts are already underway to better align resources with business requirements, to take on additional responsibilities to take on outside vendor's cost, and migrate many old applications to new environments. As a result of these efforts, a limited amount of excess resources has been identified for participation in this program.

As a result of all these combined efforts, we have decided that the following classes in the IT Division will be included in the VSP.

FEDERALLY FUNDED CLASS CODES

2533 CLERK 3 (one position)
2762 DATA E OP (no more than 2 positions)
75575 INFO SY D ES (one position)
2713 MNF COMP OP 3 (no more than 1 position)
75552 IN RES SP 3 (no more than 1 position)
75523 PRG AN 3 (no more than 1 position)
75524 PRG AN 4 (no more than 1 position)

Estimated Net Cost Savings: (Attached Spreadsheet)

Appointing Authority: James G. Neeley, Commissioner

Date: May 28, 2008